



# The sharing solution

## Why sharing data might be a smart business decision.

By JR Reagan

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Have you ever lived in a close-knit community? If so, you might be familiar with the idea of a shared toolbox. Everyone in the neighborhood pitches in a few bucks and one person buys a toolbox, a ladder, a pool skimmer (whatever everyone agrees is needed) to be shared by the group. Everyone gets to use the tools, and everyone is responsible for taking care of them. The arrangement is simple, but it involves a great deal of trust. When it works, it’s a brilliant way of pooling resources.

### Playing well with others

Companies could learn a thing or two from the shared-toolbox technique. Today, some websites share tools as well, but it’s data they’re exchanging—news and information—rather than physical items. These businesses aim to give people the intellectual gear they need to make better decisions. They provide a prime example of how companies can play well with others—in these particular cases, readers—by offering free content for widespread consumption.

### The role of technology

The value of data cannot be understated. The “new raw material of the 21st century” is being gathered at a faster pace than ever before. Technology has allowed private companies to cull information in previously unthinkable ways, and they are using it not only to better serve customers, but also to increase ROI for shareholders.

These days, some discussions and disagreements around data sharing pertain to medical science. Who has the right to use material gathered during observational research and studies? The desire to make scientific data widely available predates the Internet, but the debate still rages over when it's appropriate to do so, and how.

Businesses, too, might begin to ask whether they could share certain information they possess, weighing the potential for contributing to the public good against any negative effects on their company's goals. The organization itself might benefit, as well. Would data sharing facilitate consumer engagement? Might the company learn from other businesses' successes and mistakes? Would data sharing help the business enter into public-private partnerships?

### **Government has the right idea**

If businesses collaborated more, innovation might take new and unforeseen directions. Consider what national governments around the world are doing in publishing collected data to serve the public interest and increase their own agencies' transparency. Examples include the United States' data.gov as well as open data sources in countries including Australia, Brazil, Canada, and France. Public and private interests use this data in increasing numbers: According to a Deloitte analysis, the United Kingdom's data.gov.uk page views per dataset increased by nearly 300 percent from January 2010 through September 2012.

Strong arguments do exist against open data, including privacy concerns and cost, and these merit equal consideration. But consider the benefits of sharing: In the United States, government data helped launch a \$90 billion GPS industry. In the United Kingdom, Demand Logic, a data-sharing program, has helped businesses save at least £300,000 per year in energy costs. Could private companies contribute to the public good by revealing certain, non-proprietary information, and also benefit by learning what works elsewhere, and what doesn't?

### **Sharing is caring**

Although, in sharing data, we must consider such factors as limited resources and necessity (as in the original neighborhood-toolbox example), what if we implemented the sharing ethos across knowledge industries and markets, placing a growing and potentially unlimited information pool at everyone's fingertips? What effects would open data sharing have on the economy? Would it bolster or undercut innovation? Would it give participants a new kind of social currency?

For those who cringe at the thought of major industries' giving away their data, consider what we might lose by refusing to share ideas and resources: namely, better ideas and resources. (To see a motivating two-minute clip on how Deloitte envisions this working in the real world, check out *The Solution Economy: A Framework for Societal Problem Solving*.) A sharing economy ought naturally to foster a solution economy, helping business to do what it does best: innovate and lead.

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